

## Middle East Report by Nancy Coker

### Closing the Open Door

*Mubarak's crackdown on corruption in Egypt could mean the end to Sadat's Open Door economic policy.*

**E**gyptian President Hosni Mubarak has begun what could become a full-scale crackdown on Egypt's drug-smuggling mafia networks. Mubarak's efforts to purge Egypt of corruption have generated a surge of popular sentiment in his favor, and have created the potential for a new national unity around the idea of economic development, in place of the drug trafficking and dirty-money operations that characterized the Open Door free-enterprise economic policies of Anwar Sadat's regime.

Mubarak's clean-up drive began late last month when he ordered the arrest of Esmat Sadat, the half-brother of the late Anwar Sadat, and two of Esmat's sons for their illegal wheelings and dealings, including drug smuggling and black-marketeering. Esmat Sadat's arrest has aroused widespread fear among Egypt's organized-crime bosses and the corrupt Sadat-linked political elite that Mubarak means business, and no one is immune.

Mubarak had told the Egyptian parliament Oct. 3: "Law rules over everything and rises above people, whoever they may be."

Upon taking office in October 1981 after Sadat was assassinated, Mubarak, who is respected in Egypt for his "uncorruptibility," pledged to lower the boom on those members of the Egyptian elite who had used the Open Door policy to reap huge, illegal personal profits. By mid-February, three parliamentarians were behind bars for

drug smuggling; a government investigation was launched into Port Said, Egypt's largest free-trade zone and smuggling center; and a number of cabinet ministers from the Sadat era associated with the Open Door policy were replaced.

Soon thereafter, Mubarak backed off, apparently in response to threats to his life from the Mafia and its allies in the London-directed Muslim Brotherhood. However, at the beginning of October, Mubarak decided to resume his anti-corruption campaign. To do that and to ensure his own security, he extended martial law for another year. Egypt's monied elite is sending its funds out of the country as fast as possible in preparation for their own departure.

Mubarak began with the arrest of Esmat Sadat, whose criminal record goes back to 1968, when he was imprisoned for embezzlement.

During the 1970s, Esmat rose from an \$80-a-month bus driver to a tycoon worth \$180 million as a result of numerous scams. In 1978 he was arrested for drug smuggling, but President Sadat set him free a few weeks later.

"Mubarak's arrest of Esmat Sadat is only the beginning," commented one Arab intelligence source. "Esmat is like a thread in a fabric. Pull it, and the whole thing unravels."

Ali Safwat Rauf, the brother of Anwar Sadat's wife Jihan, has received a subpoena to appear at Esmat Sadat's trial in January. The equally corrupt Jihan, who recently left Egypt

on an extended tour of the United States and Europe (which included a party in her honor hosted by Henry Kissinger in Washington), has reportedly decided not to return to Egypt but to settle in Paris.

Jihan's protector in Egypt, former Interior Minister Nabawi Ismail, may be arrested at any moment, intelligence sources report. Earlier this year, Ismail's wife was implicated in the scandal surrounding Rashad Osman, one of the parliamentarians jailed by Mubarak for smuggling hashish through Port Said. (Esmat Sadat was also implicated in the Rashad Osman affair.)

One other individual who may soon find himself on the stand is Osman Ahmed Osman, Sadat's brother-in-law and owner of Egypt's largest construction firm. Osman is also said to be a member of the secret Propaganda-2 Freemasonic lodge outlawed by the Italian government for its efforts to overthrow the republican system there.

Mubarak's crackdown is part of his renewed commitment to restoring and developing Egypt's industrial power, and to limiting nonproductive investment. He is also strengthening his ties to the Non-aligned Movement, and has announced that he will attend the Non-aligned summit early next year.

Mubarak's efforts to clean up Egypt have not endeared him to the State Department, nor to the British. To set the stage for an assassination, the British press has been running stories of aborted attempts on Mubarak's life. A senior Egyptian government official denied that there was any truth in these reports, and accused "certain foreign journalists and their newspapers [of] persistently disseminating such stories."